

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE

In re:

ROBERTO MIGUEL MAZZONI,)
)
Debtor.)

Case No. 3:19-BK-33128-SHB
Chapter 7

MOTION TO COMPROMISE

NOTICE OF OPPORTUNITY TO OBJECT AND FOR HEARING

Notice is hereby given that:

Pursuant to E.D. Tenn. LBR 9013-1(h), the court may consider this matter without further notice or hearing unless a party in interest files an objection. If you object to the relief requested in this paper, you must file with the clerk of the court at 800 Market St., Suite 330, Knoxville, Tennessee, 37902, an objection within twenty-one (21) days from the date this paper was filed and serve a copy on the movant's attorney, F. Scott Milligan, PO Box 12266, Knoxville, TN 37912. If you file and serve an objection within the time permitted, the court will schedule a hearing and you will be notified. If you do not file an objection within the time permitted, the court will consider that you do not oppose the granting of the relief requested in this paper and may grant the relief requested without further notice or hearing.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

Comes now W. Grey Steed, Trustee, through counsel, and moves the Court pursuant to Federal Rule of Bankruptcy Procedure 2002 and 9019 for an Order allowing the Trustee to compromise a dispute on behalf of the bankruptcy estate. In support of his Motion, the Trustee would show unto the Court as follows:

1. The debtor, Roberto Miguel Mazzoni, filed a voluntary Chapter 7 case on September 25, 2019. W. Grey Steed was appointed Chapter 7 Trustee and currently serves in that capacity.
2. Prior to filing bankruptcy, the debtor filed suit alleging that he was subjected to improper collection efforts and/or unfair practices under federal and state law. The debtor had retained, and now the bankruptcy estate has also, attorneys Brent S. Snyder and Alan C. Lee as special counsel in the matter.
3. A settlement has been proposed to resolve the case and both the Trustee and the debtor believe the settlement should be accepted. The settling parties have

offered \$17,000.00 to resolve the claims of the debtor and the bankruptcy estate. By separate application, special counsel will request discounted contingent fees and expenses totaling \$6,000.00. The debtor has agreed to reduce his claimed exemptions under Tennessee and accept the amount of \$6,000.00. The bankruptcy estate should receive \$5,000.00.

4. The Trustee believes that the settlement is fair, reasonable, and in the best interest of the bankruptcy estate and creditors. Absent the compromise, the matter would require litigation in the arbitration proceeding. There are several significant defenses, including the debtor's consent based on signed agreements and recent Supreme Court rulings that severely undercut the value and validity of the claims. The risk of a poor outcome against the cost to proceed further does not appear warranted. The debtor, Trustee, and Special Counsel believe the settlement is acceptable and request approval from the Court.

5. The Trustee, absent objection within the time set forth herein, will ask the Court to approve the settlement described herein.

WHEREFORE, the Trustee respectfully requests that the Court approve the compromise set forth herein for the benefit of the estate.

Respectfully submitted this 28th day of May, 2021.

/s/ F. Scott Milligan
F. Scott Milligan, BPR. No. 13886
PO Box 12266
Knoxville, TN 37912
865-522-3311
Attorney for W. Grey Steed, Trustee

CERTIFICATE OF SERVICE

I hereby certify that on May 28, 2021, a true and correct copy of the foregoing Motion has been served upon the following by electronic mail (ECF).

Tiffany Dilorio, Attorney for US Trustee
John P. Newton, Jr., Attorney for Debtor

The following have been upon the persons listed below by placing a copy thereof, first class postage prepaid, hand delivery, or facsimile.

(Roberto Miguel Mazzoni mailing matrix attached.)

Roberto Miguel Mazzoni
2180 Ranch Road
Dandridge, TN 37725

/s/ F. Scott Milligan
F. Scott Milligan